

CITY OF HASTINGS, NEBRASKA
MINUTES OF UTILITY BOARD REGULAR MEETING
Thursday, March 14, 2024

Pursuant to due call and notice thereof, a Regular Meeting of the Utility Board of Hastings, Nebraska was conducted Airport Conference Room - Hastings Municipal Airport - 3300 W. 12th Street, on March 14, 2024.

ROLL CALL:

The meeting was called to order at 9:00 a.m. in Regular Session by Jeanette Dewalt with the following members present: Mark Hemje, Susan Meeske, Scott Snell. Kevin Johnson, Shawn Hartmann, Butch Eley, Shawn Metcalf, Keith Leonhardt, Erik Nielsen, Mark Funkey, Brandan Lubken, Jaci Higgins, Karl Block, Brian Strom, Lee Vrooman, Larry Fox, Noel Nienhueser, Roger Nash, Lori Hartman
Absent: Bill Hitesman, Jesse Oswald, Corey Stutte

PLEDGE OF ALLEGIANCE:

Jeanette Dewalt led the group in the recital of the Pledge of Allegiance to the United States of America.

MOTION TO ADOPT CURRENT AGENDA FOR March 14, 2024 REGULAR MEETING.

Moved by Meeske and seconded by Hemje to adopt the current agenda for the March 14, 2024 Regular Meeting. Roll Call: Ayes: Dewalt, Hemje, Meeske, Snell. Nays: None. Absent: Hitesman. The motion carried.

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, March 12, 2024. Pursuant to Nebraska Revised Statute Section 84-1412, the public is advised that a copy of today's agenda and all reproducible written material which will be discussed at today's meeting is located at the back of the Conference Room. Also, a current copy of the Nebraska Open Meetings Act is posted on the south wall of the Airport Conference Room, which is accessible to members of the public.

MANAGER'S COMMUNICATIONS:

Thank you Jeanette for stepping in for Bill. The agenda is a little light, but it's just getting started on the construction season. Looking forward to the audit presentation today.

BOARD CHAIRMAN'S COMMUNICATIONS:

None.

BOARD MEMBERS' COMMUNICATIONS:

None.

CITIZEN COMMUNICATIONS:

None.

CONSENT AGENDA:

1. All Consent Items.

- (a) Approval of the minutes of the Hastings Utility Board Meeting of February, 8, 2024.

Hemje moved, Meeske second. Roll Call: Ayes: Dewalt, Hemje, Meeske, Snell. Nays: None. Absent: Hitesman.

Approved.

REGULAR AGENDA:

2. Unfinished Business of Preceding Meeting.

3. General Business.

- (a) Finance

- i. Financial Audit Presentation

Marci is introduced, and she presents the audit report via video call and discusses the letter of recommendations.

- (b) Production

- (c) Operations

- i. Tax Issue Resolved: Lead Water Service Replacement

Brandon discusses the tax issues with lead water service removal. Dollars were distributed through the EPA to be distributed through the states with the intention of removing all lead water services for the nation. The IRS waived all tax implications for this work.

- ii. New Development Natural Gas Districting Process

Brandon discusses a situation that we are still studying and we wanted to talk about it with the board. We are not prepared to move forward, this is still a work in progress.

Natural Gas Main Cost Capture.

- Current challenges in natural gas market have is focused on status quo.
- Move cost capture of gas mains in new developments from rate payers to developers (who should pay?)
- Investigated other gas utility models for new development cost capture. Most models do not directly address motive.
- Our City Attorney found state statute language indicating the ability to form districts for gas mains and recommends the methodology.
- Historically used for water and sewer main cost capture in new developments.
- Utilities pays for feet of main in intersections, and frontage of City owned property within the district.
- Cost of Project (less intersections)/Total Frontage Feet=Cost Per Frontage Foot
- Cost of front footage conveyed to developer.
- Developer has 15 years to pay for infrastructure, or withing 50 days interest free.
- Cost capture for Natural Gas Main has been socialized with developers.
- New Development Gas Main work commencing on or after October 1, 2024, will be eligible for cost capture.
- Currently evaluating service line fee of \$4 per foot and new meter fee.

(d) Administration

(e) Other

i. Sr Management Team Engagement Effort - Council Inclusion in Budget Meetings with Board One-on-One Sessions

We have had several discussions internally. Management team came up with having one on one meetings. We thought the best time to start would be during the budget season. Hoping to get the council more involved so they can see the effort and work that goes into the budget. Engage them as early as the board. There are summary pages and details in the budget book.

Would like some of the council members to sit in some of the board meetings when there are things that need to be passed through board and council so they get a more in depth description.

There is an annual budget meeting. They are necessary to be able to ask those questions.

4. Possible Closed Session (if necessary or requested).

ADJOURN:

Moved by Hemje seconded by Meeske there being no further business to adjourn at 10:21 am.
Roll Call: Ayes: Jeanette Dewalt Mark Hemje, Susan Meeske, Scott Snell. Nays: None.
Absent: Bill Hitesman. Meeting Adjourned.

APPROVED:

Board Secretary